



County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

March 15, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17 March 15, 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**AMENDMENT NO. 1 TO LEASE NO. 70630
PUBLIC DEFENDER AND
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
100 WEST SECOND STREET, POMONA
(FIRST DISTRICT) (3 VOTES)**

SUBJECT

The proposed lease amendment for an approximate six-month term will provide the Public Defender and the Department of Children and Family Services uninterrupted temporary use of approximately 37,315 rentable square feet of office space until they are relocated.

IT IS RECOMMENDED THAT YOUR BOARD

1. Find that the project is exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, and Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).
2. Approve and instruct the Mayor to sign the lease amendment with JP Morgan Chase and Company (Lessor). The lease amendment will provide the Public Defender and the Department of Children and Family Services uninterrupted temporary use of approximately 37,315 rentable square feet of office space and 175 parking spaces until August 31, 2011. The maximum total lease cost for the six-month term is \$268,870 including parking. The lease costs for the Public Defender are 100 percent net County cost, and the Department of Children and Family Services are 70.23 percent funded by State and federal revenues and 29.77 percent net County cost.

"To Enrich Lives Through Effective And Caring Service"

**Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only**

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Public Defender (PD) occupies portions of the ground, second, and sixth floors of the building with a staff of 44. PD provides legal representation to indigent criminal defendants and children in County Superior, State, and Federal Appellate courts. The Department of Children and Family Services (DCFS) occupies portions of the first, third, fourth, and fifth floors of the building with a staff of 251 as a regional office. DCFS provides direct services to families in crisis through the adoption and revenue enhancement units, and the Mental Health/Children Services collaboration.

The lease has been on month-to-month holdover since May 1, 2008, and the Lessor has submitted a written termination notice effective December 31, 2010. The Lessor must move all tenants to complete a seismic retrofit and asbestos abatement of the building. The proposed lease amendment will extend the term to August 31, 2011. During the lease extension, repair and replacement of major building systems will be limited, however, the Lessor will continue to provide basic building standard services to the premises. PD will relocate to a new proposed facility located at 300 South Park Avenue, Pomona, and DCFS will relocate to a new proposed facility in the City of Pomona.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Operational Effectiveness (Goal 1) directs that we provide operational effectiveness to support efficient delivery of public services through sound, prudent, and transparent short-term and long-term fiscal policies to maintain critical, high priority County of Los Angeles (County) services despite cyclical economic conditions. The proposed action provides temporary short-term lease office space in a central location.

FISCAL IMPACT/FINANCING

The proposed lease amendment will provide uninterrupted use of 37,315 rentable square feet of office space and 75 non-exclusive on-site parking spaces and 100 off-site parking spaces included in the base rent. Effective April 1, 2011, the County will be responsible for 100 off-site parking spaces previously provided by the Lessor at a monthly cost of \$2,000, and the monthly rent will be reduced \$1,500 pursuant to the underlying lease.

The proposed monthly rent will remain at the prevailing rent of \$44,395 per month through March 31, 2011. However, with the additional parking effective April 1, 2011, the monthly rent will increase to \$44,895 and remain fixed for the duration of the extended term, essentially a \$500 per month increase.

100 West Second Street	Existing Lease	Proposed Amendment	Change
Area (Square Feet)	37,315	37,315	None
Term	Ten years (05/1/98-04/30/08) currently on holdover	Six months (upon Board adoption)	+Approximately six months
Annual Base Rent (Rental Rate)	\$532,740 (\$14.28/sq. ft.)	\$268,870 (\$14.41/sq. ft.) (six-month term)*	-\$1,500/mo parking +\$2,000/mo parking*
Option to Renew	One five-year option at fair market rental value	None	-One five-year option
Rental adjustment	3 percent fixed after initial 30 months of the lease term, then 6 percent fixed every 30 months or twice thereafter	None	None
Parking (included in the base rent)	175 spaces	75 spaces	-100 spaces/- \$1,500/mo*
Parking	None	100 spaces (\$20/space/month)	+100 spaces/ +\$2,000/mo*
Cancellation	At any time after 48 months of the lease term upon 120 days prior written notice.	Same pursuant to the existing lease	None

* The Amendment provides County responsibility for 100 off-site parking spaces previously provided by the Lessor on a quarterly basis. Since the Lessor has paid the cost of parking for the first quarter, effective April 1, 2011, the County will pay the monthly cost for 100 spaces of \$2,000, paid quarterly, and the monthly rent will be reduced by \$1,500 per month pursuant to the underlying lease.

Sufficient funds are included in the Fiscal Year 2010-11 Rent Expense budget and will be charged back to the departments. PD lease costs are 100 percent net County cost (NCC), and DCFS lease costs are 70.23 percent funded by State and federal subvention and 29.77 percent NCC. The lease costs are included in the operating expense budgets of both departments.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed lease amendment will provide 37,315 rentable square feet of office space and 75 parking spaces. On April 1, 2011, the County will enter into a separate parking license agreement, executed administratively, with the City of Pomona Vehicle Parking District for an additional 100 parking spaces at a cost of \$2,000 per month paid quarterly, or \$6,000 for the extended term. The proposed lease amendment includes the following provisions:

- The approximate six-month term requested by the Lessor will commence upon adoption by the Board.
- The annual full service gross per square foot rental rate will remain at the prevailing rate of \$14.28 or \$1.19 per month through March 31, 2011.

- Effective April 1, 2011, the annual full service gross per square foot rental rate will increase from \$14.28 to \$14.44, or \$1.20 per month, to reflect a \$1,500 per month rent reduction for the transfer of responsibility from the Lessor to the County for 100 parking spaces at a monthly cost of \$2,000, paid quarterly.
- Effective April 1, 2011, the rent will remain fixed and will not be subject to adjustment for the duration of the extended lease term.
- Effective April 1, 2011, the Lessor will terminate its parking license agreement with the City of Pomona for 100 parking spaces for the County's use.

ENVIRONMENTAL DOCUMENTATION

The Chief Executive Office (CEO) has concluded that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to Class 1, of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

A childcare facility is not feasible at this location. The Department of Public Works inspected the facility for seismic safety and has found it unsuitable for County occupancy unless seismically retrofitted. The Lessor has declined to retrofit the building and has submitted a written termination notice effective December 31, 2010. Notification letters have been sent to the City of Pomona pursuant to Government Code Sections 25351 and 65402.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

It is the finding of the CEO that the proposed amendment will allow PD and DCFS to continue to utilize the subject facility pending relocation to new facilities. PD and DCFS concur with this recommendation.

The Honorable Board of Supervisors
March 15, 2011
Page 5

CONCLUSION

It is requested that the Executive Officer, Board of Supervisors, return two originals of the executed lease amendment and the adopted, stamped Board letter and two certified copies of the Minute Order to the CEO, Real Estate Division at 222 South Hill Street, Fourth Floor, Los Angeles, CA 90012.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. T. Fujioka', with a stylized flourish at the end.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:WLD
CEM:MM:hd

Attachments

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Children and Family Services
Public Defender

100WestSecondSt.b

**AMENDMENT NO. 1 TO LEASE NO. 70630
100 WEST 2ND STREET, POMONA**

THIS AMENDMENT NO. 1 TO LEASE AGREEMENT NO. 70630 ("Amendment No. 1") is made, entered and dated the 15th day of March, 2011 by and between JPMORGAN CHASE Bank, N.A., a national association ("Lessor"), successor-in-interest to Washington Mutual Bank, and the COUNTY OF LOS ANGELES, a body corporate and politic ("Lessee").

RECITALS:

WHEREAS, a Lease by and between Home Savings of America, FSB, as predecessor Lessor, and the County of Los Angeles as Lessee was executed April 1, 1997 (the "Lease"), pursuant to which Lessor leased to Lessee those certain Premises located at 100 West 2nd Street, Pomona, California consisting of approximately 37,315 rentable square feet of office space and 175 parking spaces, and, by letter agreement dated February 5, 2003, approximately 225 square feet of space in the basement used for storage (collectively, the "Premises") and;

WHEREAS, Lessor is the lawful successor-in-interest to Washington Mutual Bank, successor in interest to Home Savings of America, FSB, and retains all rights and responsibilities granted as a result thereof, and;

WHEREAS, the Lease has been in holdover status since April 30, 2008, and Lessor delivered a Termination Notice to Lessee dated August 27, 2010, and the Lease is therefore scheduled to expire on December 31, 2010, and;

WHEREAS, Lessee desires to extend the Lease until August 31, 2011, to allow Lessee time to relocate its operations, and;

WHEREAS, Lessor is willing to so extend the Lease, upon certain terms and conditions.

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and the rents, covenants and agreements herein contained, Lessor and Lessee hereby covenant and agree as follows:

1. **TERM:** The term of the Lease is hereby extended to and shall expire on August 31, 2011, unless earlier cancelled or otherwise terminated in accordance with the provisions of the Lease.

TERM: Paragraph 2.B., OPTIONS TO RENEW, is hereby deleted in its entirety. Lessee has no options to renew or extend the Lease.

2. **MAINTENANCE AND REPAIR OF PREMISES:** Due to Lessor's termination of the Lease and the short term nature of the extension granted herein, any obligation of Lessor to repair or replace any part of the Premises, Building or Land, and any right of self help granted to Lessee, including without limitation as described in Section 9 of the Lease, are hereby deleted and deemed waived by Lessee. Lessor shall, however, maintain building standard services to the Premises. Lessee further acknowledges that parts of the parking lot and other common areas may become inaccessible to Lessee through the remainder of the Term.
3. **PARKING SPACES:** Effective April 1, 2011, License Agreement with the City of Pomona Vehicle Parking District Commission providing 100 parking spaces ("city spaces") shall terminate, and Section 20 of the Lease shall be amended so that all references to "city spaces" shall be deleted and that Lessor shall only be required to provide seventy-five (75) parking spaces in the Building adjacent lot. As a result following April 1, 2011, the last paragraph of section 3 of the Lease shall be deleted and Lessee's monthly rent shall be reduced by \$1,500.00 and shall be equal to \$42,395.00 per month.
4. **BUILDING RULES AND REGULATIONS:** Effective as of the date of this Amendment, Lessee and Lessee's employees, contractors or customers shall adhere to the Building Rules and Regulations (attached hereto as Exhibit "A") as may be reasonably modified by Lessor at Lessor's sole and absolute discretion.

Wherever a conflict exists in the terms and conditions of this Amendment No. 1 to Lease No. 70630 and the original Lease, the terms and conditions of this Amendment No. 1, shall prevail.

IN WITNESS WHEREOF, the Lessor has executed this Amendment No. 1 to Lease Agreement No. 70630, or caused it to be duly executed, and the Lessee by order of its Board of Supervisors, has caused this Amendment No. 1 to be executed on its behalf by the Chair of said Board and attested by the Clerk thereof the day, month, and year first above written.

LESSOR:

JPMORGAN CHASE BANK, N.A.
a national association

By B. S. Styles

Its Vice President

ATTEST:

Sachi A. Hamai
Executive Officer
Board of Supervisors

LESSEE:

COUNTY OF LOS ANGELES
a body politic and corporate

By Lachelle Smitherman

Deputy

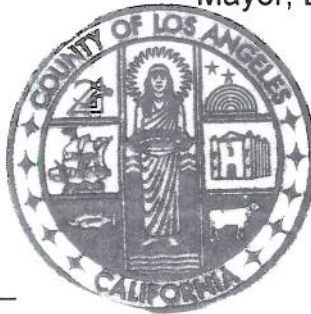
By Mike Antonovich

Mayor, Los Angeles County

APPROVED AS TO FORM:
ANDREA SHERIDAN ORDIN
County Counsel

By Amy M. Caves

Amy M. Caves
Senior Deputy



I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By Lachelle Smitherman

Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17

MAR 15 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

EXHIBIT A
Building Rules and Regulations

JP Morgan Chase as Lessor has designed **Buildings Rules and Regulations** to ensure the safety of both the building and its occupants.

As Lessee, you have a responsibility to comply with all federal, state and municipal laws, ordinances, and regulations as well as building rules so as to neither, directly or indirectly, make any use of your premises which may be prohibited by any of the following regulations and which may be unsafe or dangerous to persons or property.

- Lessee shall use commercially reasonable means for protecting your premise(s) from theft, robbery and pilferage which includes keeping doors and any other means of entry to the premises locked and secured after normal business hours.
- The use of auxiliary heating and/or cooling appliances such as space heaters and fans are considered potential fire hazards and are prohibited. Additionally, the use of any appliances (i.e. refrigerator, microwave, coffee makers, etc.) is not permitted in the working spaces.
- Cooking (other than microwave ovens and/or coffee makers) is not permitted on the premises.
- Existing kitchen/break areas, incorporating refrigerators, microwaves and coffee makers are permitted. Any new kitchen/break areas are permitted with the approval of the landlord.
- Lessee shall act in a reasonable manner by minimizing any cooking or food odors emanating from its demised premises to seep into other portions of the building.
- The premises shall not be used for lodging, sleeping, or for any immoral or illegal purposes.
- Lessee will refrain from making any unseemly or disturbing noise or otherwise interfere with other occupants or those having business with other occupants.
- Lessee shall not make excessive noises, cause disturbances or vibrations or use or operate any electrical or mechanical devices that emit excessive sound or other waves of disturbances or create obnoxious odors, any of which may be offensive to other occupants of the building, or that would interfere with the operation of any devices, equipment, radio, television broadcasting, or reception from or within the building or elsewhere on the property and shall not place or install any projections, antennas,

aerials, or similar devices inside or outside of the premises or on the building without prior Lessor approval.

- Existing vending machines are permitted. Any additional vending machines will require Lessor's permission.
- Lessee shall not allow the use of any additional electrical equipment which may overload circuits or interfere with the reasonable use thereof by other occupants and the Lessor, without prior review and approval by Lessor.
- Good judgment shall be exercised when seasonal decorations are used. As a minimum requirement, the following is set forth for maintaining safe situations for these seasonal decorations.
 - Displays, decoration, etc., shall not be placed in corridors, exit ways or in front of exit doors or in any way impede the normal means of egress.
 - Open flame devices or candles shall not be displayed as decorations.
 - All decorative items must be flame retardant.
 - Electric lights are prohibited to rest on or be attached to metal decorations.
 - **NO LIVE CHRISTMAS TREES** are permitted in the building due to fire hazards.
 - Lessee shall not attach decorations to fire sprinkler heads, ceiling grids, or other safety warning devices that may impact proper operation.
- Windows in the premises shall not be covered or obstructed by Lessee, nor shall any bottles, parcels, or other articles be placed on the window sills or in the halls or any other part of the building.
- The Lessee shall not, except with the prior written consent of the Lessor, install any blinds, drapes, curtains or other window coverings in the premises and shall not remove, add to or change the blinds, curtains, drapes or other window coverings installed by the landlord.
- The restrooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein.
- The Lessee shall not mark, drill into, bore or cut or in any way damage or deface the walls, ceilings or floors of the premises, except for Lessee's business purposes as permitted by Lessor.
- No wire pipes, conduits, telephonic, telegraphic, electronic wire service or other connections shall be installed in the premises without the prior approval of the Lessor.

- The Lessee shall not place or cause to be placed any additional locks upon any doors of the premises without the prior approval of the Lessor. Lessee shall notify Lessor of all key and access card changes in order to provide proper access for janitorial and other building services.
- Lessee is responsible to ensure that doors to the premises are closed and secured before leaving the building and is to observe strict care and caution that all water faucets or water apparatus are entirely shut off before Lessee or Lessee's employees leave the building and that all electricity shall be carefully shut off so as to prevent waste or damage.
- Lessee, its servants, employees, customers, invitees and guests shall when using the common parking facilities, if any, in and around the building, observe and obey all signs regarding fire lanes, visitor parking, and no parking zones and when parking, always park between the designated lines. Provided proper signage is posted, Lessor reserves the right to tow away, at the expense of the owner, any vehicle which is improperly parked or parked in a no parking or visitor parking zone improperly. All vehicles shall be parked at the sole risk of the owner and the Lessor assumes no responsibility for any damage to or loss of vehicle. No vehicle shall be parked overnight or extended period of time without notice to the Lessor.
- Any sign, lettering, picture, notice or advertising installed on or in any part of the premises and visible from the exterior of the premises, shall be installed at Lessee's sole cost and expense, and in such manner, character and style as approved by the Lessor.
- No animals or birds, excepting Seeing Eye dogs shall be allowed in the building.
- Bicycles and other vehicles will not be permitted inside the building or on the sidewalks and may only be permitted outside in areas designated by the Lessor.
- Lessee shall provide to the Lessor upon request, name(s) of employee(s) and/or agent(s) to be contacted by the Lessor for emergency purposes whether during or after business hours. Such information should be kept current and accurate by the Lessee.
- Lessor shall have the right to prohibit any advertising by the Lessee which in Lessor's reasonable opinion may impair the reputation of the building or its desirability as a building.
- Lessee shall contact the Lessor prior to moving furniture or large office equipment into or out of the building. The following will apply:
 - Lessee shall provide Lessor with moving vendors insurance certificate naming Lessor as additional insured.

- Lessee's moving schedule will require the advance approval of Lessor
 - Lessor's personnel cannot assist in moving furniture and equipment.
 - Building entrances, lobby or other common areas are not to be used for staging.
 - Floor, wall, and elevator cab protection will be a requirement, any damage caused by such a move will be the responsibility of the Lessee.
- Live plants are not allowed in the premises unless such plants are contracted for maintenance by a reputable contract and contractor as approved by the Lessor.

Individual employee plants are not allowed within the premises.

- Whenever in these Building Rules and Regulations, the word "Lessee" occurs, it is understood and agreed that it shall mean Lessee's associates, agents, clerks, servants and visitors. Whenever the word "Lessor" occurs, it is understood and agreed that it shall mean Lessor's agents, clerks, servants, and visitors.
- Lessee and its servants, employees, agents, visitors and licensees shall faithfully observe and strictly comply with the foregoing rules and regulations.

Reasonable notice of any additional rules and regulations shall be given in such a manner as Lessor may deem appropriate.